

Air Force Security Assistance and Cooperation Directorate

Advancing National Security by building global partnerships one case at a time



Worldwide Warehouse Redistribution Services (WWRS)

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Program Manager**

"This briefing is for information only. No US Government commitment to sell, loan, lease, co-develop or co-produce defense articles or provide defense services is implied or intended."

AFSAC/XPJ Case #: 7097 applies for tracking and record keeping purposes.

Integrity ★ Service ★ Excellence



Retransfer of FMS Acquired Materiel

- **Two primary means of transfer**
 - **US Dept of State third party transfer**
 - **Requires country to find buyer, petition Dept of State and await decision**
 - **WWRS (Tri-Service program)**
 - **Based on “e-bay” model**
 - **Cannot transfer significant military equipment**
 - **Country can list items / wait for order to come in or**
 - **Countries can directly negotiate sale with each other and execute sale via WWRS using a lot buy**
 - **Seller can list thousands of items**



WWRS Definition

- A Tri-Service, **Virtual** Warehouse designed to transfer **Fully Serviceable** (Condition Code “A”) excess spares / support equipment from FMS Countries to fill other FMS / USG needs
 - Web-based FMS materiel redistribution service
 - **Seller:** requires a FMS seller case
 - **Seller sets price**
 - **Buyer:** any blanket order FMS requisition case or USG financial instrument (MORD or MIPR)
 - Significant Military Equipment (SME) prohibited



WWRS Mission

- **Assist our friends / allies in reducing excess FMS inventories while also assisting them and the US Gov in filling requirements**
 - **Quality materiel (Condition Code “A”)**
 - **Reasonable price**
 - **Fast delivery (average of 71 days)**
 - **Sellers / Buyers remain anonymous**
 - **Facilitate re-investment of seller’s proceeds into FMS materiel or back into seller’s budget**



WWRS Authority & Background

- **Arms Export Control Act, Section 21(m), “Return of Defense Articles”**
- **AFSAC conceived, endorsed by SECAF**
 - **Re-invention Laboratory Initiative** **Jul 95**
 - **DSCA Test Program Approval** **Dec 97**
 - **Initial Operational Capability** **Apr 98**
 - **DSCA Declared Permanent Program** **Jun 01**
 - **Celebrated 11th anniversary** **Jun 12**



WWRS TRI-SERVICE PATH

DSCA Jun 2001 guidance: “*We ask that you work with the Navy and Army to enlist their participation in the WWRS program.*”



Air Force 1998



Navy 2001



Army 2005



WWRS Buyers / Sellers

1998 - 2012

- **31 Sellers** (includes US Navy)
 - Returned \$111M+ to sellers' FMS Programs
 - Inventory growth \$5M (1998) to \$2.31B
 - Approximately 294K line items
- **62 Buyers** (includes US Army, Navy, Air Force)
 - 29K+ orders valued at \$123M+
 - Average savings 23% below DoD stock list price
 - \$48M+ buyer savings
 - Average total order process time 70.4 days
 - From requisition to buyer's freight forwarder delivery
 - Approved supply discrepancy (SDR) rate 0.8%
 - Air Force goal < 2.0%



WWRS Inventory Saves You Money

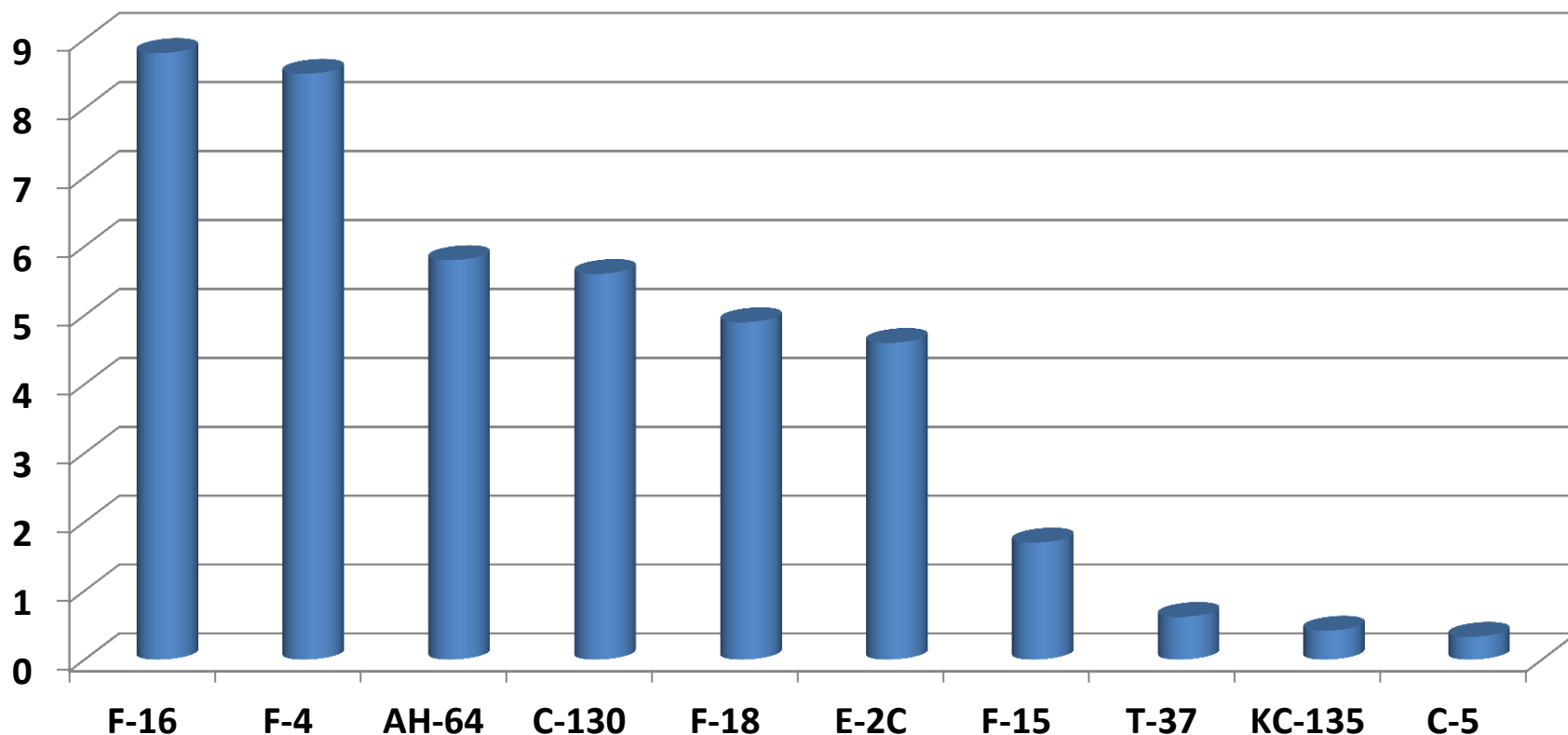
Pricing Category	Offers	% of Total Items	WWRS Value	% of Total WWRS Value	DoD Value	% of DoD Value
Less than DoD Price	180,368	61.2%	\$1,407,660,101	66.0%	\$1,984,483,314	71%
DoD Price	35,505	12.1%	\$280,943,923	13.2%	\$280,943,923	100%
Greater than DoD Price	78,811	26.7%	\$444,700,394	20.8%	\$56,207,255	791%
Totals	294,684	100%	\$2,133,304,418	100%	\$2,321,634,492	92%

Snapshot as of 13 July 2012:
180,368 items below DoD Value, that is 61.21% of our inventory.

A savings of 29% under DoD costs!



Top 10 WWRS Sales by Weapon System

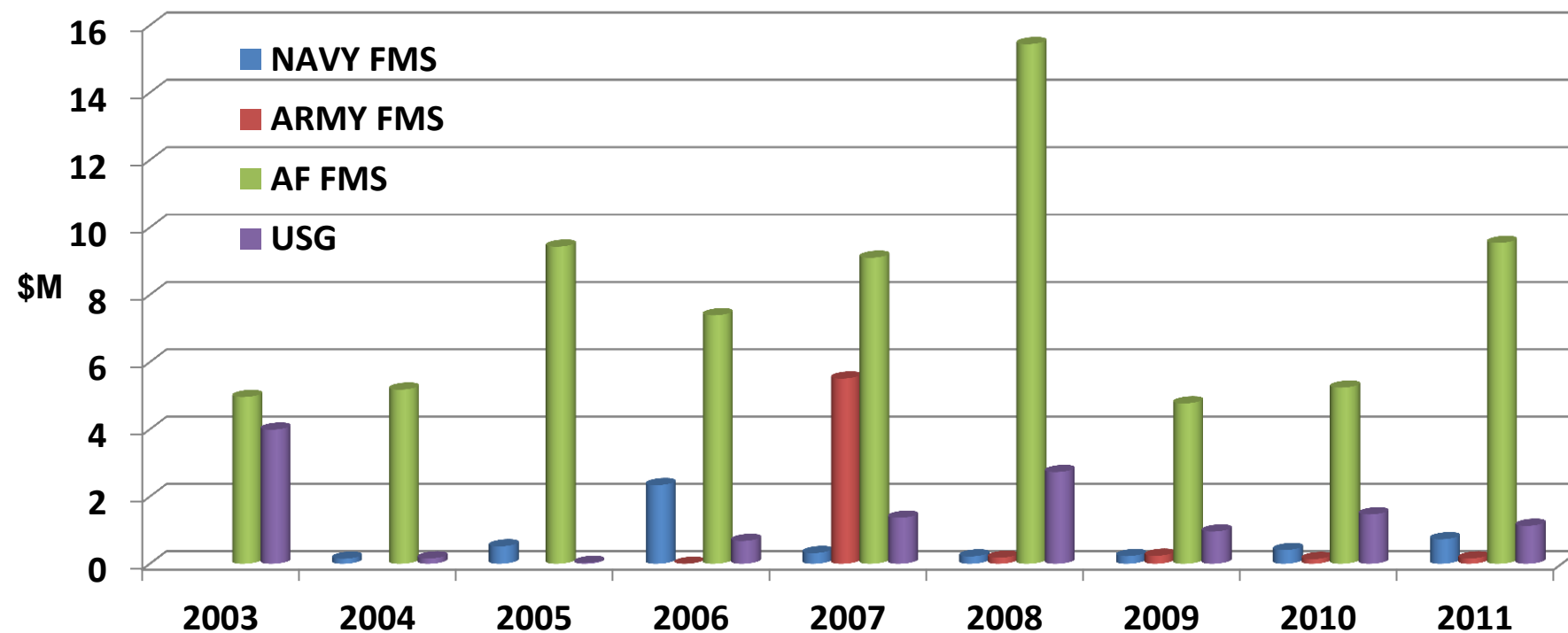


Total Value	8.8	8.5	5.8	5.6	4.9	4.6	1.7	0.62	0.42	0.33
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Aviation spares and all other (non-SME) FMS materiel



Buying Trend for International Army / Navy / Air Force / US Gov



NAVY FMS	-	0.15	0.52	2.34	0.32	0.22	0.23	0.41	0.73
ARMY FMS	-	-	-	0.001	5.51	0.18	0.24	0.14	0.16
AF FMS	4.96	5.18	9.43	7.39	9.1	15.44	4.77	5.24	9.54
USG	3.99	0.16	0.03	0.68	1.39	0.86	1.28	1.47	1.13

As of Jan 2012



WWRS Process Flow

- **Seller**

- **Establishes a WWRS Seller FMS Case***
- **Case/line value = 8.5% of materiel value to be transferred**
- **Terms of Sale: Balance as billed**
 - **Cash with acceptance: Seller provides initial deposit equal to 5% of line value, plus half of administrative surcharge (1.9% / 1.75%) = 6.9% / 6.75% depending on when case was created**
 - **Balance as Billed: Subsequent funds will be billed as actual redistribution occurs**



WWRS Process Flow

- **Seller**
 - **Participation rules are set**
 - **FMS acquired items, fully serviceable & can pass edits**
 - **Funds Transportation cost to In-transit Inspection Point**
 - **In-country POC with internet access is established**
 - **Lists inventory, Responds to Redistribution Orders, Monitors shipments/Supply Discrepancy Reports**
 - **100% proceeds deposited into seller's WWRS 6QX holding account**



WWRS Process Flow

- Items must have been previously transferred under Arms Export Control Act (FMS purchased)
- Item is not Significant Military Equipment (SME)
- Item is in fully functioning condition without need or repair or rehabilitation (Condition Code "A")
- Additionally the program office will screen items to ensure other unauthorized assets are not sold
 - COMSEC
 - Classified
 - Explosive
 - Shelf Life
 - Hazardous
 - Chemical

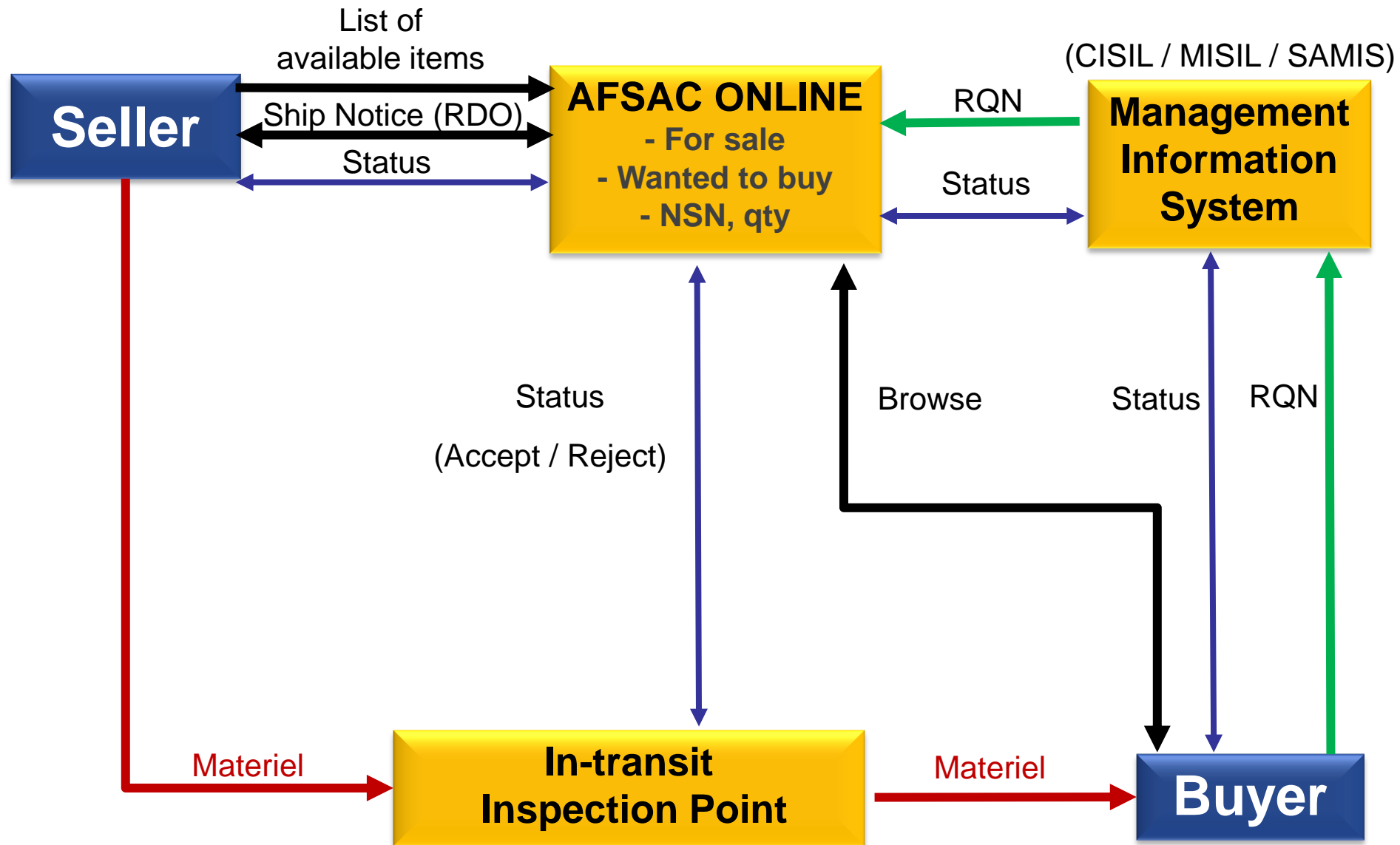


WWRS Process Flow

- **BUYER**
 - Uses existing Purchaser FMS support cases
 - Requisition input with RIC “FWW” (AF only)
 - Fill / kill to WWRS
 - MORD / MIPR = Transfer of funds
 - Responsible for CONUS transportation \$100 or greater
 - Responsible to set up Freight Forwarder or DTS use



WWRS Process Flow





WWRS Process Flow - IIP

In-transit Inspection Point (IIP)

Receives
Inspects (visual)
Takes title for USG
Transfers to buyer



Sanitize
(removes country ID)
Photographic record
Repacks
Ships



**Baker &
Associates
Centerville,
Ohio**



Turns Materiel in less than 1.5 days



WWRS Home Page

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Home

About Us

Buyer Information

Seller Information

PMO

Resources

Help & Training

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ORGANIZED BY ROLES

What's New?



WWRS 2012 Conference Information

November 27-29, 2012

Drury Inn

6616 Miller Lane Dayton, Ohio

- [Details](#)
- [Draft Agenda](#)

Register Now!

05/17/2012

WWRS Website Out of Service

The WWRS website will be

temporarily unavailable from May 17, 6

Inventory Search

Search the current WWRS Inventory



NSN:

FSC

- NIIN

- MMC

Part Number:

CAGE Code:

Item Name:

Weapon System:

Search

Clear

[Search by Federal Supply Group](#)

[Search by Weapon System](#)

[Search by Managing Agency](#)

[Search for Multiple Items](#)

Always use the NSN/NIIN to locate what you need



WWRS Inventory

[Login](#)[Home](#)[About Us](#)[Buyer Information](#)[Seller Information](#)[PMO](#)[Resources](#)[Help & Training](#)[Contact Us](#)

Sellers/Buyers remain Anonymous

NSN:

Part Number:

CAGE Code:

Item Name:

Weapon System: F-4

Search

Clear

Excel Download

Text Download

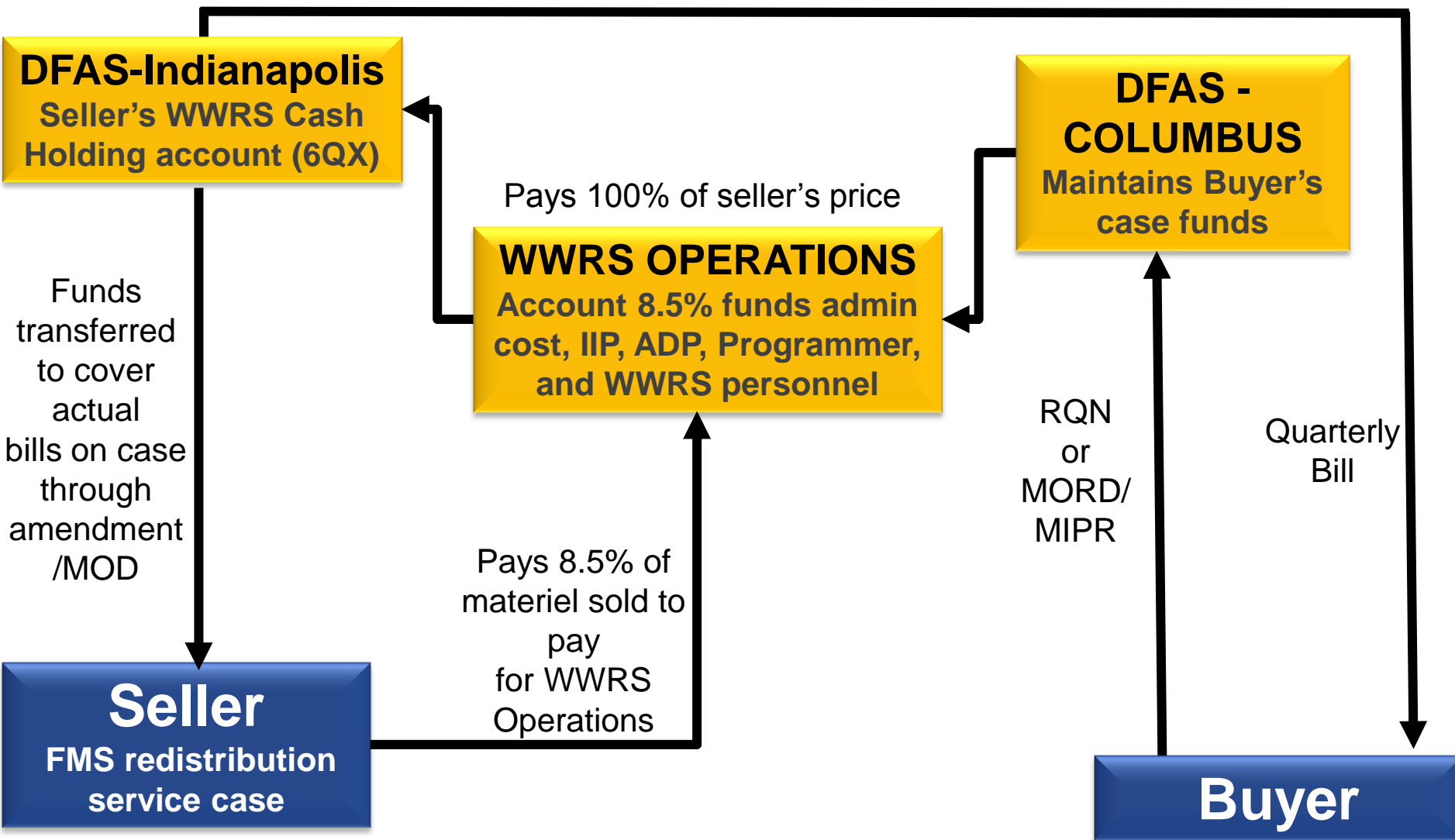
WWRS & DoD price comparison

1 2 3 4 5 6 7 8 9 10 ...

<u>FSC</u>	<u>NIIN</u>	<u>Part Number</u>	<u>Cage Code</u>	<u>Item Name</u>	<u>Quantity</u>	<u>Price</u>	<u>DoD Price</u>	<u>% of DoD</u>	<u>Minimum Order Value (MOV)</u>	<u>Seller Rating</u>
1560	011195306			FITTING,STRUCTURAL COMPONENT,AIRCRAFT	3	\$1,511.98	\$2,159.97	70.00 %	\$500.00	D
5961	010846710			TRANSISTOR	27	\$45.41	\$53.55	84.80 %	\$500.00	D
5998	010588596			CIRCUIT CARD ASSEMBLY	5	\$1,540.01	\$2,053.34	75.00 %	\$500.00	D
6220	010145351			PANEL,INDICATING,LI	5	\$489.70	\$553.98	88.40 %	\$500.00	D
5998	010168983			ELECTRONIC COMPONENTS ASSEMBLY	2	\$1,150.60	\$1,643.72	70.00 %	\$500.00	D
5310	009489719			NUT ASSEMBLY,SELF-L	277	\$64.90	\$76.53	84.80 %	\$500.00	D
5310	009489719			NUT ASSEMBLY,SELF-L	277	\$64.90	\$76.53	84.80 %	\$500.00	D
1650	009535683			FUSE,HYDRAULIC SYST	6	\$483.24	\$644.32	75.00 %	\$500.00	D
1650	007870661			HOUSING ASSEMBLY,VA	1	\$1,548.75	\$2,018.80	76.72 %	\$500.00	D
1650	007870661			HOUSING ASSEMBLY,VA	1	\$1,548.75	\$2,018.80	76.72 %	\$500.00	D
1650	007870661			HOUSING ASSEMBLY,VA	1	\$1,548.75	\$2,018.80	76.72 %	\$500.00	D
5998	007594710			CIRCUIT CARD ASSEMBLY	2	\$888.76	\$1,185.01	75.00 %	\$500.00	D
4820	009301860			CAM AND SHAFT ASSY	2	\$1,123.76	\$2,252.71	49.89 %	\$500.00	D
5306	010815427			BOLT,SHOULDER	18	\$24.99	\$33.32	75.00 %	\$500.00	D
1560	001409520			SEAL,LONGERON	1	\$3,101.62	\$4,135.49	75.00 %	\$500.00	D
5998	007594704			PRINTED CIRCUIT BOARD	5	\$1,914.63	\$2,552.84	75.00 %	\$500.00	D
6615	008973157			VALVE,TRANSFER,AUTOMATIC PILOT	2	\$3,092.25	\$4,123.00	75.00 %	\$500.00	D
5340	001930112			CLAMP,LOOP	24	\$0.66	\$0.71	92.96 %	\$500.00	D
5998	010671597			BOARD ASSEMBLY,ARIT	7	\$5,985.56	\$7,980.75	75.00 %	\$500.00	D



WWRS Financial Flow





WWRS Fee Structure

- **WWRS goal, like all FMS programs, is to be self-supporting with neither profit nor loss**
- **Fees reviewed bi-annually**
- **WWRS Fees (Paid by seller)**
 - **Funds WWRS personnel and admin cost**
 - **In-transit Inspection Point (IIP) service - contracted**
 - **Automated Data Processing (ADP) - contracted**
 - **Programmer - contracted**



WWRS Fee Example

- **Recommended case value example: \$1M***
 - **Initial deposit: \$69,000 (6.9%) / \$67,500 (6.75%)**
 - **No further scheduled payment required**
 - **Additional case payments come from sales proceeds (6QX account via LOR for amendment)**
 - **If no sales occur, initial deposit (less half 3.8% / 3.5% admin) refundable**
- **Will fund the sale of approx. \$12M of materiel, (after which an amendment or new case would be required)**

**recommended but not required, seller case can be requested for any value but sales cannot proceed if seller case does not have sufficient Obligation Authority for WWRS fee*



Benefits of WWRS

- **Sellers**

- Recoupment of sunk spares costs
- Liberation of warehouse space (Lean Logistics)
- Provides significant funds from transfer proceeds
- Deposited into country trust fund account

- **Buyers**

- Additional source of supply
- Cost savings
- Source for parts no longer manufactured
- Improved support (access to on the shelf material)
- Quality of assets— same / better than USG FMS



Summary

- **If your country has not incorporated WWRS into your FMS procurement process you are missing an opportunity to:**
 - **Save money \$\$\$ (average savings of 28% off DoD cost)**
 - **Receive highest quality materiel (SDR eligible for 1 year)**
 - **Delivery in less than 90 days (average 71 days)**
- **An AFSAC-D liaison officer saved their Air Force >\$1.5M in one year by using WWRS**



WWRS Home Page Online Tools

- **URL**
 - <https://afsac4.wpafb.af.mil/wwrs>
- **Hosted By AFSAC Online**
 - <https://afsac.wpafb.af.mil>
 - Has a link to the WWRS Site
- **Can be linked to directly from external sites**
 - For example, Navy E-Business Suite, SCIP



WWRS Conference

27th – 29th Nov 2012

- Where: Drury Inn, Dayton Ohio (Miller Lane)
- How to sign up: Visit WWRS website to auto register (<https://afsac4.wpafb.af.mil/wwrs>)
- Goals:
 - Update Foreign Military Sales (FMS) partners on program status and gain feedback
 - Meet w/active partners for bi-lateral program reviews
 - Provide potential partners w/new program info
 - Provide hands on training on how to be successful using WWRS (11 hour workshop/IIP site visit)



Questions

